Canada. Bureau of Competition Policy

Competition Communiqué

Bureau of Competition Policy

COMPETITION COMMUNIQUÉ

REAL ESTATE AND PRICE MAINTENANCE Volume I, No. 1

Price maintenance and the real estate industry

Price maintenance is a criminal offence under section 61 of the *Competition Act*. A recent decision by the Alberta Court of Queen's Bench has set an important precedent regarding price maintenance and the real estate industry. This is the first conviction of a real estate broker for price maintenance under the Act and the first conviction for horizontal price maintenance under section 61(1) (b), in any industry following contested proceedings.

The most important message in this decision for real estate brokers is that there must be no discrimination against so-called discount brokers, either by refusing to co-broker with them or by offering smaller selling commissions to them. The judgment should be seen in the context of the 1988 Prohibition Order which establishes rules for the conduct of the real estate industry vis-a-vis the *Competition Act*.

Price maintenance

Price maintenance is an attempt by suppliers to influence upwards, or to discourage the reduction of, the prices charged by those they supply. It is also an offence to refuse to supply a product, or to discriminate against other persons, because of their low pricing policy. Likewise, it is illegal to induce a supplier to engage in price maintenance.

In addition to vertical dealer-reseller applications, the price maintenance provisions can be applied horizontally, to include attempts to influence a competitor's pricing. They apply to conduct directed at "any other person engaged in business in Canada," rather than just at persons who resell articles.

Suppliers or producers who make suggestions regarding resale prices must clearly state that customers are under no obligation to accept the suggested price. This message is frequently conveyed by the inclusion of the words "Dealers may sell for less" in price lists or advertisements.

The price maintenance provisions apply to all products, including services. Penalties include a fine set at the discretion of the court, or up to five years in prison, or both.

(over)

Industry Canada Industrie Canada

Canada

The Roberts Real Estate Case

On February 4,1994, Mr. Justice D.B. Mason found a Calgary real estate brokerage company guilty of violating the price maintenance provisions of the *Competition Act* for having refused to co-operate with a competing discount broker. The penalty imposed by the Court was a fine of $25,000.

The Court found that Roberts Real Estate (Roberts) discriminated against Elite Real Estate (Elite) by offering that company a smaller selling commission than it offered to other real estate brokers. The Court also found that, on at least two occasions, Roberts refused to allow Elite to show Roberts' listings. It concluded that Roberts had engaged in such conduct because Elite was a discount broker. Commenting later on sentence, the Court noted that "the policy was not only contrary to the *Competition Act*, but also contrary to the Prohibition Order..."

The ruling stated that a listing broker's refusal to grant a selling broker, who has a bona fide prospective purchaser, the right to show a property "flies in the face of the fiduciary relationship between a listing broker and its vendor." Further, "there is an obligation on the part of the listing broker to co-operate and show and otherwise negotiate in good faith with any qualified broker with a willing and able purchaser."

Future implications

The Alberta Court decision makes clear that in all of their listings, including exclusives, real estate brokers must not refuse to co-operate with other brokers because of their low prices. Similarly, real estate brokers who discriminate against discount brokers by imposing reciprocity on commission splits run the risk of breaching the law against price maintenance.

As the Court observed in its reasons for sentence, "such discriminatory practices, if permitted to exist and allowed to expand, would have far-reaching effects on free price competition to the detriment of the public at large." By enhancing competition among brokers, the ruling will help Canadians benefit from the functioning of a fair real estate market.

Another important outcome of the ruling is that it vividly demonstrates that the provisions of the *Competition Act* apply equally to all businesses in Canada, including small and medium-size businesses, and not just to large corporations.

This information newsletter is only a guide. For further information or assistance please contact your lawyer or the Bureau of Competition Policy at 50 Victoria St., Hull, Quebec, K1A OC9, tel. (819) 994-0798 or fax (819) 953-5013.

11500/94-07-E

Bureau of Competition Policy

COMPETITION COMMUNIQUÉ

«REGULAR PRICE» AND THE COMPETITION ACT Volume I, No. 2

All shoppers love a bargain— but when is a bargain <u>really</u> a bargain?

Whether they're after a new lawnmower, or a refrigerator, or just a new pair of shoes, everyone loves a bargain. People will often shop around, or wait for a sale, rather than buy at the "regular price". Therefore, representations of price are a powerful marketing tool, especially when the seller claims that an item is reduced from its regular price.

When is a bargain **really** a bargain? If a seller puts a phony regular price on a product, merely to cross it out and claim that the item is marked down, the consumer might not be getting any saving at all. And, if the consumer is deceived, the market is not operating fairly. Even if buyers never learn the truth, a deception has taken place, and competitors may have been adversely affected as well.

The *Competition Act* and regular price claims

The aim of the *Act* is to promote competition in the Canadian marketplace, and encourage accuracy in marketplace information. The *Act* applies to all businesses in Canada; to small and medium-sized companies as well as large firms. Misleading advertising is a criminal offence under the *Competition Act*. It is illegal to make materially misleading representations concerning the price at which a product is ordinarily sold.

A simple general test that may be applied to determine whether a representation may be in violation of the provision is: "Would the representation lead a reasonable consumer to conclude that the comparison price quoted is that at which the product has ordinarily been sold?" If the answer to this question is "yes" and the comparison price is not the regular market price, such a comparison should not be made.

Manufacturer's Suggested List Price

The use of a term such as Manufacturer's Suggested List Price in a comparison with a retailer's price can be deceptive where it does not reflect a product's ordinary selling price.

(over)

Industry Canada Industrie Canada

Canada

False regular price claims are misleading advertising

Where a product is marked down from a false regular price claim, the fact that consumers really received a bargain is irrelevant. Even if the item might have sold for less than its usual price, referring to a false regular price may be an offence.

In these kinds of cases, the law applies a "materiality" test. The degree of accuracy in the representation along with its likely influence on the consumer is used to determine whether an offence has been committed. Where there is no single regular price, the accuracy of a regular price claim will be judged against the range of actual selling prices in a given market. Moreover, it is not a valid defence to say that a seller did not **intend** to mislead a consumer. The Crown need only prove that the **effect** of an advertisement was to mislead.

An advertiser's responsibility

Advertisers who make use of regular price representations should take diligent steps to avoid errors. If the comparison price is based on prices of "similar" products rather than the same brand product, then the advertiser should ensure that the products are indeed comparable.

Since regular prices are calculated based on the market area in which they are sold, the relevant market must be determined in each case. This could depend on a number of factors, including: the area covered by the representation, the location of competitors, and the likelihood of consumer travel to make the purchase in question. In many cases, the municipality or metropolitan area in which a business is located might be the relevant area. Often, the circulation area of a newspaper or other means of communication can help define the relevant market.

Accurate advertising fosters competition

All businesses, regardless of size, have the same obligation to abide by the misleading advertising provisions of the *Competition Act*. Misleading advertising can have serious economic consequences, especially when directed towards large audiences, or when it takes place over a long time. Its effects are felt by both competitors and consumers. Misleading advertising can interfere with informed consumer decision-making and may result in distorted marketplace demand. Consumers suffer when the products they buy do not reflect their true price and quality choices; competitors suffer when they are denied the opportunity to satisfy consumers' real demand for products of a given price and quality.

This information newsletter is only a guide. For further information or assistance, please contact your lawyer or the Bureau of Competition Policy at 50 Victoria St., Hull, Quebec, K1A 0C9, tel.: (819) 994-0798 or fax (819) 953-5013. To obtain additional copies of this newsletter or more information on the Bureau's Public Education Initiative, contact Linda R. Bergeron at (819) 953-8645.

105081/95/02-E

COMPETITION COMMUNIQUÉ

Volume 2, No. 6
7. 19. 96

COMPETITION BUREAU'S SOLUTION IN THE INTERAC CASE PAVES THE WAY FOR BUSINESS AND CONSUMER BENEFITS

On June 25, 1996, the Competition Tribunal issued a Consent Order* against Interac Inc., and the nine charter members of the Interac Association ("Interac"). The Consent Order, issued under the "abuse of dominant position" provisions of the *Competition Act*, will create incentives for the introduction of new services and a broader distribution of automated banking machines (ABMs). At the same time, the Order ensures that neither consumer convenience nor network security will be jeopardized.

BACKGROUND

On December 14, 1995, the Director of Investigation and Research (the "Director") filed an application for a Consent Order against Interac Inc., and the nine charter members of Interac, namely, Bank of Montreal, Bank of Nova Scotia, Canada Trust, Canadian Imperial Bank of Commerce, La Conféderation des Caisses populaires et d'économie Desjardins du Québec, Credit Union Central of Canada, National Bank of Canada, Royal Bank of Canada and the Toronto-Dominion Bank.

The Director's application alleged that the charter members of Interac substantially or completely controlled the market for the supply of shared electronic network services in Canada by leveraging their control of consumer demand deposits and ABMs in Canada.

The Director, in seeking the Consent Order, sought to prohibit a number of anti-competitive acts and also put into place other changes necessary to restore competition to the market. The Order dealt with three major areas of concern: access, fees and innovation.

Access

The Consent Order requires Interac to open its network to potential participants on a non-discriminatory basis. Accordingly, participation will no longer be limited to deposit-taking financial institutions which are members of the Canadian Payments Association. Other businesses will be able to take advantage of certain privileges previously restricted to charter members, most notably the right to connect directly to the network. Interac will, however, continue to establish reasonable eligibility criteria for all new members and have the ability to require that only regulated financial institutions be entitled to issue cards which will have access to the network.

Fees

Interac will now be required to operate as a not-for-profit corporation. All major revenue sources must be derived on a user or transaction basis, payable by all members. Therefore, Interac will no longer be allowed to levy new member entry fees which have previously had the effect of deterring entry into Interac.

Under the Consent Order, Interac will no longer be able to prohibit its members from charging consumers directly for services provided at an ABM or direct payment terminal. Now, ABM or terminal deployers will be able to individually determine and charge a competitive price for their shared services. The ability of terminal deployers to individually price their services to consumers will encourage price competition to consumers at the terminal, and create an incentive for both a broader allocation of ABMs and Point of Sale terminals in the market and the introduction of new consumer services at these terminals.

Innovation

The Consent Order alters the composition of the Interac Board of Directors, removes Interac's prohibition of indirectly accessing consumer funds held with entities such as investment firms or life insurance companies, and makes available the Interac network software for new services that require access to demand deposits. It also permits a wider array of participants to use the Interac network and contributes to creating an environment conducive to the introduction of new services.

Arising from these changes, consumers could soon benefit from a broader distribution of ABMs by network participants and the availability of a wider array of shared services. These services could potentially include account balance updates, account transfers, and the making of payments and deposits on the shared network. At the same time, care has been taken to ensure that the high degree of consumer convenience currently offered by Interac will not be diminished and, more importantly, the high level of network security currently in existence will not be jeopardized. Each financial institution will continue to safeguard access to each and every consumer's deposit accounts.

****

*A more detailed description of the Order is contained in the news release and backgrounder released by the Director on December 14, 1995. Copies are available from the Complaints and Public Enquiries Centre at the numbers listed below.

This information newsletter is only a guide. For further information or assistance, please contact your lawyer or the Competition Bureau's Complaints and Public Enquiries Centre at 50 Victoria St., Hull, Quebec, K1A 0C9, Toll free 1-800 348-5358, National Capital Region (819) 997-4282, TTD 1-800 642-3844, Fax: (819) 997-0324, Fax-on-Demand (819) 997-2869.

COMPETITION COMMUNIQUÉ

Volume 3, No. 1
2. 18. 97

COMPETITION BUREAU ALLOWS MANUFACTURING COMPANIES OF METAL VACUUM CLOSURES TO MERGE

The Director of Investigation and Research of the Competition Bureau will not challenge the acquisition of the shares of Carnaudmetalbox, S.A. ("CMB") by Crown Cork and Seal Company, Inc. ("CROWN U.S."). These firms controlled the only two major Canadian companies engaged in the manufacture and sale of metal vacuum closures as well as the supply and servicing of related packaging equipment.

Metal vacuum closures are metallic caps used with glass containers to ensure that a tight seal and vacuum are formed; this seal is what guarantees the freshness of the jar's contents and protects against spoilage. These metallic caps are used, for the most part, in the food and beverage industries.

Crown U.S. owns Crown Cork & Seal Canada Inc. ("Crown"), while CMB's wholly owned subsidiary was Anchor Cap and Closure Corporation of Canada Limited ("Anchor"). Anchor used metal vacuum closure technology that was owned by the CMB group of companies. Although Crown had no such ownership in the technology, the company did have a Licensing Agreement with White Cap, Inc. ("White Cap"), a U.S.-based company and the largest manufacturer of metal vacuum closures in North America. This Licensing Agreement prohibited White Cap from selling the closures in Canada without first obtaining Crown's consent, and prohibited Crown from selling in the United States without White Cap's consent.

The Competition Bureau, after having analyzed the likely effects the merger would have on competition, concluded that the market power of the merged firm raised serious concerns under the *Competition Act*. The Bureau's analysis revealed that there was no acceptable substitute for metal vacuum closures and that customers for the product would not be able to turn to another major supplier in response to a possible price increase imposed by the newly-merged firm.

To address the concerns of the Competition Bureau, the parties entered into an amendment of the Licensing Agreement in which Crown agreed to dispose of certain intellectual property rights as well as other rights contained in the agreement with White Cap.

(over)

Why is this decision important to you?

This decision means that Canadian metal vacuum closure customers are now free to purchase closures from White Cap, Crown or any other supplier, thereby guaranteeing a second source of supply and encouraging competitive pricing of the product.

Under the *Competition Act*, it does not matter whether you are a small, medium or large company; if you are competing or purchasing product in a market where you believe that a newly-merged firm has the potential to increase prices, or abuse its position* by engaging in anti-competitive acts, the Director of Investigation and Research has the power to bring the matter before the Competition Tribunal. The Tribunal has the option to prevent, or remedy the effects of a merger which substantially prevents or lessens competition by issuing a remedial order that will restore competition in the Canadian marketplace.

However, you should also know that when a newly-merged firm dominates a particular market, it does not mean necessarily that it has contravened the *Competition Act*. Sometimes, companies have to become large in order to compete with foreign firms and achieve lower production costs. What may be a concern under the *Act*, is when a newly-merged firm exploits its market power in a way that hurts consumers, other businesses, and competition in the marketplace.

The *Competition Act* provides a three-year period during which the Director can challenge a merger transaction.

****

*The Competition Bureau's Public Education Initiative publishes a pamphlet entitled **When a Company abuses its dominant position** and another called **Restricting the supply and use of products.** To obtain a copy of these as well as others in the series, contact the Complaints and Public Enquiries Centre at one of the numbers listed below.

This newsletter is intended only as a guide. If you require any assistance or further information, please contact your lawyer or the Complaints and Public Inquiries Centre, 50 Victoria Street, Hull, Quebec, K1A 0C9, (toll-free) 1-800 348-5358, National Capital Region (819) 997-4282, TDD 1-800 642-3844, Facsimile (819) 997-0324, Fax-on-Demand (819) 997-2869.

COMPETITION COMMUNIQUÉ

Volume 3, No. 2
3. 6. 97

FIRST PRISON SENTENCE HANDED DOWN UNDER THE *COMPETITION ACT* FOR A PRICING OFFENCE

On September 9, 1996, Mr. Justice Paul-Marcel Bellavance of the Quebec Superior Court in Sherbrooke sentenced Mr. Jacques Perreault, a former director of a driving school in the Eastern Townships, to one year in prison for his role in committing criminal offences under the *Competition Act*. Mr. Perreault, who elected trial by jury, was found guilty on June 15, 1996, of the six charges laid against him.

A number of the other accused in this case pleaded guilty on November 1, 1996, during the first week of their trial before Mr. Justice Réjean Paul of the Quebec Superior Court. A principal accused, Mr. Yves Aubé, was sentenced to perform one hundred hours of community service and was fined $10,000 to be paid in 30 days or, in default, to serve four months in prison. His company, École de conduite Tecnic Aubé Inc., was fined $40,000. The Court also issued orders prohibiting some of the convicted companies from engaging in similar activities.

Background

These accused were convicted of one or more of the following criminal offences under the *Competition Act*:

- conspiring to fix prices with other driving schools to unduly lessen competition in the driving school market in Sherbrooke;
- engaging in local and regional predatory pricing policies to substantially lessen competition in Magog and/or Sherbrooke;
- attempting by way of threats to pressure competitors to raise prices.

(over)

This case sets important precedents. It is the first trial by jury involving the hundred-year-old *Act*. It also marks the very first conviction for engaging in a regional predatory pricing policy.

What does this case mean for you?

- It is the first time that a business person has been sentenced to a prison term and another to perform community service for price related offences such as conspiracy, price maintenance and predatory pricing.

- The Court emphasized the importance of passing a sufficiently exemplary sentence. Despite the gravity of this type of economic crime, the Court maintained that it is not always taken seriously by the Canadian business community.

- This type of economic crime, which is difficult to detect, can be subject to severe penalties other than fines. Directors and managers of small, medium-sized and large businesses who commit criminal acts are liable to imprisonment. This decision serves notice that business persons are personally vulnerable and can be held personally liable, if they engage in anti-competitive acts.

- The Court noted that fines are often paid by the corporate entity alone. However, the Court recognized that the effectiveness of the *Competition Act* depends on the number of businesses that comply with it, and that this in turn is dependent on the existence of sanctions that require corporate executives to consider their personal liability. The Court based its decision in part on a judgment by the Supreme Court of Canada (Thompson Newspapers).

- The Court referred to a decision by the Ontario Court of Appeal (McNamara), to support the proposition that individuals found guilty of more elaborate and lucrative conspiracies can expect even more severe sentences.

This newsletter is intended only as a guide. If you require any assistance or further information, please contact your lawyer or the Complaints and Public Inquiries Centre, 50 Victoria Street, Hull, Quebec, K1A 0C9, (toll-free) 1-800 348-5358, National Capital Region (819) 997-4282, TDD 1-800 642-3844, Facsimile (819) 997-0324, Fax-on-Demand (819) 997-2869.

COMPETITION COMMUNIQUÉ

Volume 3, No. 3
3. 7. 97

READY MIX CONCRETE PRODUCERS ARE FINED $5.8 MILLION FOR CONSPIRACY IN METROPOLITAN AREA OF QUEBEC CITY

On August 19, 1996, Ciment Québec Inc., Ciment St-Laurent Inc., Lafarge Canada Inc. and Béton Orléans Inc. pleaded guilty to one count of conspiracy and were fined $5.8 million. This is the second highest fine imposed on a group of companies for one count under the *Competition Act*.

In addition to the fine, the court imposed a 15 year prohibition order that requires the companies to respect the provisions of the *Act*. The companies also undertook to understand the law and ensure that their officers and administrators comply with it. The prohibition order further requires them to attend information sessions on the *Competition Act*; these sessions will be prepared in collaboration with Competition Bureau staff and presented by the president and legal counsel for each company.

BACKGROUND

The Director commenced an inquiry in July 1995, following the publication of articles in a Québec regional newspaper alleging anti-competitive behaviour on the part of producers of ready mix concrete in the metropolitan area of Québec City.

A short time after the Competition Bureau's searches, the companies initiated meetings with Bureau representatives and the Office of the Attorney General of Canada to cooperate with the inquiry and to begin discussions which led to a guilty plea.

CONSPIRACY*

Under the provisions of the *Competition Act*, business competitors may be committing a criminal offence known as "conspiracy" when they agree:

- on the prices that they will charge their customers;
- not to compete for certain customers; or
- not to compete in a particular product or geographic market (s).

(over)

In this case, the companies pleaded guilty to having entered into an agreement and to having collaborated with other persons to share the sales of ready mix concrete produced for projects requiring over 300 cubic metres of concrete in Québec City and the surrounding metropolitan area.

The Director's inquiry is continuing with respect to allegations of conspiracy and bid-rigging by other producers of ready mix concrete in this region.

WHY IS THIS DECISION IMPORTANT?

Following the Competition Bureau's investigation, there has been a reduction in the price of ready mix concrete. This price reduction has resulted in substantial savings for consumers and construction firms in the metropolitan area of Québec City. Moreover, this decision reinforces the message that conspiracy is a serious criminal offence and that companies that reach agreements with competitors are subject to severe penalties.

*The Competition Bureau's Public Education Initiative publishes a pamphlet on the conspiracy offence, entitled: **Reaching an agreement with competitors**. To obtain a copy, contact the Complaints and Public Enquiries Centre at one of the numbers listed below.

Competition Bureau

COMPETITION COMMUNIQUÉ

Volume 2, No. 5
30.5.96

$1.95 MILLION FINE FOR CONSPIRACY IN GARBAGE COLLECTION

On April 26, 1996, Gestion des rebuts DMP Inc. (Gestion) pleaded guilty in the Superior Court of Quebec to a charge of conspiracy for having entered into an agreement with competitors to share the commercial market for garbage collection in the Mauricie region of Quebec in the period 1984 to 1989. Conspiracy to unduly lessen competition is an indictable offence under section 45 of the *Competition Act*. Mr. Justice de Blois fined Gestion $1,950,000 and also imposed a Prohibition Order on the company which forbids a repetition of the offence or any other behaviour contrary to the *Act*.

The fine level in this case reflects the commitment of the Director of Investigation and Research, George N. Addy, to obtain substantially higher fines to better reflect the gravity of this type of offence. The Director is responsible for the enforcement and administration of the *Act*.

A More Costly Acquisition Than Anticipated

Gestion has been doing business for over 10 years in the Mauricie region. During that period its share of the regional market for the rental of commercial garbage containers and for garbage collection was between 60 and 80 percent.

In 1989, WMI Waste Management of Canada Inc., a subsidiary of WMX Technologies of Oakbrook, Illinois, the largest garbage collection business in the world, acquired the shares of Gestion. WMI hired some of the former employees of Gestion to continue its operations. An internal audit was conducted at the time of the acquisition but did not detect the existence of Gestion's anti-competitive agreements with its competitors.

Co-operation with the Director's investigation

The Director's inquiry into this matter began in 1992, when two co-conspirators of Gestion disclosed to representatives of the Director the existence of agreements concerning market sharing, price fixing and bid-rigging, which they had

(over)

entered into with Gestion and others. These competitors co-operated with the Director throughout the inquiry. In light of the assistance they provided during the inquiry, the Attorney General of Canada granted them immunity from prosecution upon the Director's recommendation.

Criminal charges were laid in this matter in Trois-Rivières, Québec, in March, 1994, and Gestion, following a preliminary hearing in Quebec Provincial Court, was committed to trial on April 20, 1995. Subsequently, Gestion's owners entered into negotiations with the Attorney General which led Gestion to plead guilty to one charge of conspiracy. Three individuals and one other corporation also implicated in this case will be tried on related charges at a later date. The trial date for those parties is to be announced on August 5, 1996.

How Might This Case Affect You?

° Although the offence committed by Gestion occurred prior to its acquisition by WMI Waste Management of Canada Inc., the new owner had to assume Gestion's corporate liability for the offence.

° The fine imposed on Gestion was determined by taking into account the dollar value of commerce affected by the conspiracy, and the costs of the investigation and prosecution of the case.

° Pursuant to the favourable treatment and immunity programs of the Director and of the Attorney General of Canada, those involved in behaviour contrary to the *Act* who bring the offence to the early attention of the Director, and who are willing to cooperate fully in his inquiry and in any subsequent prosecution, may qualify for immunity from prosecution.

° In keeping with the Director's announcement of his intention to more frequently recommend the laying of charges against individuals for offences under the *Act*, managers and other employees of Gestion were also charged with the crime of conspiracy and are liable to jail sentences and heavy fines if convicted.

This information newsletter is only a guide. For further information or assistance, please contact your lawyer or the Competition Bureau's Complaints and Public Enquiries Centre at 50 Victoria St., Hull, Quebec, K1A OC9, Toll free 1-800-348-5358, National Capital Region (819) 997-4282, TDD2 1-800-642-3844, Fax (819) 997-0324, Fax-on-Demand (819) 997-2869

Bureau of Competition Policy

COMPETITION COMMUNIQUÉ

NEW COMPLAINTS AND PUBLIC ENQUIRIES CENTRE PROVIDES COAST- TO- COAST ACCESS TO BUREAU OF COMPETITION POLICY

Volume 2, No. 1

The Complaints and Public Enquiries Centre

In July of this year, the Bureau of Competition Policy established the **Complaints and Public Enquires Centre** at Bureau headquarters to supply information to the public and provide preliminary complaint assessment under the *Competition Act*.

The Centre provides Canadians from coast to coast access to the Bureau of Competition Policy with a "1-800" telephone service. The public can contact the Centre at the following numbers:

Toll free	1-800 348-5358
National Capital Region	(819) 997-4282
TTD (for hearing impaired)	1-800 642-3844
Facsimile	(819) 997-0324
Fax-on-Demand	(819) 997-2869

The Centre operates with staff from 8:00 am to 5:30 pm EST who provide service in both official languages. Callers can leave a message on an answering machine if they call after 5:30 pm EST and the call will be returned the next working day.

Information services

The Centre responds to questions from the public on the application of the *Competition Act* and the status of specific matters before the courts or the Competition Tribunal. As well, the Centre responds to requests for Bureau publications and provides information on other activities such as the Program of Advisory Opinions and the Speakers Bureau of the Public Education Initiative. The Bureau's new Fax-on-Demand service also allows the public to conveniently obtain faxes of current speeches, news releases, and other Bureau publications via telephone, a fax machine or a computer with a modem.

(over)

Industry Canada Industrie Canada

Canada

The Complaint Process

The Bureau encourages anyone with information concerning a possible violation of the *Competition Act* to bring the matter to our attention. The participation of private citizens plays an important role in the government's ability to detect, investigate and prosecute offenders.

If a complaint appears to raise an issue under the *Competition Act*, it is referred for further investigation to one of the Bureau's four enforcement branches, i.e., Mergers, Criminal Matters, Civil Matters, or Marketing Practices. An investigating officer will assess the complaint and may contact the complainant as well as other information sources. The Bureau may refer matters to the Attorney General of Canada for possible prosecution before the courts or bring an application for an order before the Competition Tribunal. The Bureau will pursue, in appropriate situations, alternatives to formal action, where this will effectively resolve the competition concerns.

The Bureau conducts its investigations in private and takes seriously its commitment to keep confidential all of its communications with persons who provide information. However, if someone has important evidence about an offence, that information may become public if the matter continues to court.

Based on past experience, the Centre expects to receive approximately 50,000 complaints and enquiries in the coming year.

This information newsletter is only a guide. For further information or assistance, please contact your lawyer or the Complaints and Public Enquiries Centre of the Bureau of Competition Policy at 50 Victoria St., Hull, Quebec, K1A 0C9, Toll free 1-800 348-5358, National Capital Region (819) 997-4282, TTD 1-800 642-3844, Fax: (819) 997-0324, Fax-on-Demand (819) 997-2869.

50863/95-11E

DUO-TANG
50125
MADE IN U.S.A.